UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

AUG 19 2008

Sundry Notices and Reports on Wells	Ferming an	t Manage ment Field Office
	5.	Lease Number
1. Type of Well GAS	6.	SF-077922 If Indian, All. or Tribe Name
2. Name of Operator	7.	Unit Agreement Name
BURLINGTON RESCURCES OIL & GAS COMPANY LP	_	*** *** ** ** **
3. Address & Phone No. of Operator	8.	Well Name & Number Hudson 2
PO Box 4289, Farmington, NM 87499 (505) 326-9700	9.	API Well No.
4. Location of Well, Footage, Sec., T, R, M		30-045-08950
Unit P (SESE), 990' FSL & 330' FEL, Section 34, T30N, R12W, NMPM	10.	Field and Pool Basin Fruitland Coal
	11.	Fulcher Kutz PC County and State San Juan Co., NM
12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REI Type of Submission Type of Action	PORT, OTHER D	OATA
Type of Submission	X Other PA	
13. Describe Proposed or Completed Operations		
Burlington Resources requests to PA the subject/per the attached procedure.		
Attached: Well Bore Schematic		RCVD AUG 25 '08
		OIL CONS. DIV.
		DIST. 3
4. I hereby certify that the foregoing is true and correct.		
Signed Nicey Minus Tracey N. Monroe Title Staff R	Regulatory Technic	<u>Prian</u> Date <u>8/18/08</u>

CONDITION OF APPROVAL, if any:

Tale 18 U.S.C. Section 1001 makes it a crime for any person knowingly and willfully to make any departments of the United States any talse, fictitious or fraudulent statements or representations as to any matter within the first light.

ConocoPhillips Hudson #2 (FRC/PC) Plug and Abandon

Lat 36° 45 '52" N Long 108° 4' 38" W

Prepared By: Matt Gastgeb Date: 7/30/2008
Production Engineering Peer review/approved By: Karen Mead Date: 8/04/2008

Scope of work: Plug and abandon the Fruitland Coal and Pictured Cliff formations.

Est. Cost: '

Est. Rig Days: 4

WELL DATA:

API: 3004508950

Location: 990' FSL & 330' FEL, Unit C, Section 34 – T 30 N – R 12 W

<u>PBTD:</u> 1929' <u>TD:</u> 2137' <u>Perforations:</u> 1728'- 1938' (FC)

<u>Casing:</u>	<u>OD</u>	Wt., Grade	<u>Connection</u>	ID/Drift (in)	<u>Depth</u>
	15-1/2"	Unknown	-	Unknown	26'
	5-1/2"	Unkown	-	Unknown	1961'
	3-1/2"	7.7#, H-40	-	3.068/2.943	2128'
Tubina:	NONE				

Well History/ Justification: The Hudson #2 is a stand-alone Fruitland Coal well spud in July of 1946. It was a Pictured Cliffs well when drilled. The FRC was added in 1995 and the PC was TA'd with a CIBP. In 2004, a workover was performed to repair the tubing. They lost fish downhole (1'-1/2" IJ tubing) and milled it to a new PBTD of 1929' which covers 9' of the bottom 24' of perfs. What tubing they pulled out of the hole was badly corroded. This well has not produced since October of 2007. A fluid level performed on 01/30/08 indicates a fluid level @ 694' in the casing and 0' in the tubing indicating a possible bridge. TOC on the 3-1/2" casing is at 600' according to a CBL run in 1995. A tubing repair and MIT was done in 2008, the MIT was good, and 50 of fill was encountered. After fill was cleaned out and the well was shut in for the night the casing pressure the next morning was 0 psi.

Production Engineering recommends the P&A the Hudson #2 so that we may recomplete the McGrath C #1. The McGrath C #1 is a Dakota well that has been temporarily abandoned for the last 5 years and has had its extension denied by the Bureau of Land Management. Additionally the Hudson #2 has many down hole problems such as: slim hole casing, fill issues, fish, and high fluid levels that make it difficult to produce. PE and RAM propose to P&A the Hudson #2 and complete the McGrath C #1 in the FRC and PC zones and commingle them.

B2 Adapters are required on all wells other than pumping wells.

Artificial lift on well (type): none

Est. Reservoir Pressure (psig): N/A

Well Failure Date: Oct. 2007

Earthen Pit Required: Steel flowback tank is required.

Production Engineer: Matt Gastgeb Office: 326-9812

Karen Mead Office: 325-5158, Cell: 505-320-3753

Backup Engineer: Douglas Montoya Office: 599-3425, Cell: 505-320-8523

MSO: Geoff Davis Cell: 505-647-0672

Lead: Donnie Thompson Cell: 505-320-2639

Area Foreman: Terry Nelson Cell: 505-320-2503

PLUG AND ABANDONMENT PROCEDURE

July 25, 2008

Hudson #2

Basin Fruitland Coal / Pictured Cliffs 990' FSL, 330' FEL, Section 34, T30N, R12W, San Juan County, New Mexico API 30-045-08950/ Lat: 36°45'52" N / Long: 108°4'38" W

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.

All cement will be Class G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

- This project requires the Operator to obtain an approved NMOCD C-144 Pit or Below-Grade Tank
 Registration application for the use of an A-Plus steel tank to handle waste fluids circulated from the
 well and cement wash up.
- Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety
 regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on
 location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well.
 Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND
 wellhead and NU BOP. Function test BOP.

3.	Rods: Yes, NoX_, Unknown
	Tubing: Yes, No X, Unknown, Size, Length
	Packer: Yes, NoX, Unknown, Type
	If this well has rods or a packer, then modify the work sequence in step #2 as appropriate

- 4. Plug #1 (Pictured Cliffs interval and Fruitland Coal perforations, 1678' 1578'): Round trip 3.5" gauge ring to 1678'. TIH and set 3.5" PW CIBP at 1678'. Load casing with water and circulate well clean. Pressure test casing to 1000#. If the casing does not test, then spot or tag subsequent plugs as appropriate. Mix 7 sxs Class G cement and spot a balanced plug inside the casing above the CR to isolate the Pictured Cliffs interval and cover the Fruitland perforations. TOH with tubing.
- 5. **Plug #2 (Fruitland top, 1485' 1385')**: Perforate 3 HSC squeeze holes at 1485'. If casing tests, then establish rate into squeeze holes. Set a 3.5" PW CR at 1435'. Establish rate into squeeze holes. Mix and pump 77 sxs cement, squeeze 57 sxs outside 5.5" x 9.5" casing, 13 sxs outside the 5.5" x 9.5" annulus and leave 7 sxs inside casing to cover the Fruitland top. TOH with tubing.
- 6. **Plug #3 (Kirtland top, 700' 600')**: Perforate 3 HSC squeeze holes at 700'. If casing tests, then establish rate into squeeze holes. Set a 3.5" PW CR at 650'. Establish rate into squeeze holes. Mix and pump 128 sxs cement, squeeze 108 sxs outside the 5.5" x 12" annulus, 13 sxs outside the 3.5" x 5.5" annulus, and leave 7 sxs inside casing to cover the Kirtland top. TOH with tubing.
- 7. Plug #4 (Ojo Alamo top, 560' 460'): Perforate 3 HSC squeeze holes at 560'. If casing tests, then establish rate into squeeze holes. Set a 3.5" PW CR at 510'. Establish rate into squeeze holes. Mix and pump 128 sxs cement, squeeze 108 sxs outside the 5.5" x 12" annulus, 13 sxs

outside the 3.5" x 5.5" annulus, and leave 7 sxs inside casing to cover the Ojo Alamo top. TOH with tubing.

- 8. Plug #5 (15.5" Surface casing shoe, 100' Surface): Perforate 3 squeeze holes at 100'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 110 sxs cement and pump down the 3.5" casing to circulate good cement out 3.5" and 5.5" casing and annuli. Shut in well and WOC.
- 9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Schematic - Current ConocoPhillips HUDSON #2 District Field Name API / UWI County State/Province Edit 3004508950 NEW MEXICO NORTH BSN (FTLD COAL) #3046 SAN JUAN Original Spud Date Surface Legal Location East/West Distance (ft) East/West Reference North/South Distance (ft) North/South Reference 7/17/1946 990' S 330' E, 330.00 Е 990.00 34-030N-012W Well Config - Original Hole, 8/4/2008;7:43:02:AM (MD) 0 44.174.744.764.741.114.2777744.714.124.7744.71 13 Surface Casing Cement, 13-26, 7/19/1946, 25 Cemented w/ 20 sx cement. Cement circulated to surface. Surface, 15 1/2in, 13 ftKB, 26 ftKB 26 Ojo Alamo, 510 510 650 Kirtland, 650 680 1,217 Fruitland 1,600 Coal, 1,600 1,617 Hydraulic Fracture, 3/26/1995, Frac'd w/ 98,000# 20/40 Brady sand; 18,775 gals 20# linear gel w/ 70Q foam, 1,728 904,000 scf N2 Fruitland Coal, 1,728-1,864, 3/25/1995 Hydraulic Fracture, 3/25/1995, Frac'd 1,864 w/ 118,000# 20/40 Brady sand; 15,625 gals 20# linear gel w/ 70Q foam; 1,914 674,000 scf N2 PBTD, 1,929, New PBTD due to 1-1/2" Fruitland Coal, 1,914-1,938, 3/23/1995 1,929 tbg stuck downhole. 1,930 1.938 Fish, 1,930-1,952, 1-1/2" tbg stuck downhole. PBTD, 1,952, PC TA'd in 1995 by CIBP 1,952 Bridge Plug - CIBP, 1,952-1,953 1,953 **Pictured** 1,954 Cliffs, 1,954 Production Casing Cement, 1,225-1,961, 8/8/1946, 1,960 Cemented w/ 40 sx cement & 14 sx aquagel. TOC @ 1225' w/75% eff 1,961 Intermediate, 5 1/2in, 13 ftkB, 1,961 ftkB 1,962 Hydraulic Fracture, 9/4/1965, Frac'd w/ 10,000# 20/40 sand; 10,000# 10/20 Pictured Cliffs, 1,962-2,008, 9/4/1965 sand; 17,693 gals water. 2,008 Production Casing Cement, 600-2,128, 9/2/1965, Cemented w/ 250 sx Class C cement TOC @ 600' 2,127 per CBL run in 1995 Plugback, 2,050-2,128, 3/26/1995 2,128 Production, 3 1/2in, 7.70lbs/ft, 13 ftkB, 2,128 ftkB 2,137 TD, 2,137 Plugback, 2,128-2,137, 3/26/1995 Page 1/1 Report Printed: 8/4/2008

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of Intention to Abandon:

Re: Permanent Abandonment

Well: 2 Hudson

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
- 3. The following modifications to your plugging program are to be made:

Since the Fruitland top is @ 1652', the plug @ 1485' – 1385' is unnecessary.

If the 8 5/8" and 10" casings were not pulled:

- a) Place a plug from 1668' 1568' inside and outside the 5 ½" & 8 5/8" casings.
- b) Place a plug from 1267' 1167' inside and outside the 5 $\frac{1}{2}$ ", 8 $\frac{5}{8}$ " & 10" casings.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.